	Department of Veterans Affairs	Memorandum
Date:	May 24, 2005	
From:	Acting Director, Health Services Research and Development Service (124)	
Subj:	Notification of Budget Limits for HSR&D Proposals	
To:	VAMC Directors (00/151)	

**REASON FOR ISSUE:** This is a clarification of the April 7, 2005 e-mail notification regarding newly established budget limits for proposal submissions.

**BUDGET LIMITS:** Effective April 7, 2005, projects that exceed \$300,000 in any one year or a total project budget of \$900,000 (including all salary costs) will not be accepted without a previous written waiver approved by the portfolio manager and the Director, HSR&D. In planning project budgets, applicants are reminded to adhere to HSR&D guidelines regarding allowable use of research funds for specific items and restrictions on the use of research funds for equipment and development of computer software (see VHA Handbook 1204.01, Chapter 5, HSR&D Funding for "Development").

WAIVER REQUESTS: In rare instances, a waiver may be granted for projects that exceed \$300,000 in any one year or a total of \$900,000. A request must be received no later than 30 days prior to the proposal submission date (proposals are currently due December 15 and June 15). The request must include all budget information from the proposal (VA forms 10-1313-1, 10-1313-2, 10-1313-3, 10-1313-4) and a one-page justification. Following approval by the local HSR&D Center (if any) and ACOS for Research Development, the request and related documentation should be sent via e-mail (preferred) or courier to the relevant portfolio manager. An e-mail response will be given within 10 days. If a waiver is granted, a copy of the e-mailed waiver must be included with all copies of the application. A waiver does not guarantee a project will be funded at the level requested.

**PRIOR PROPOSALS:** This new policy does not pertain to projects where the first submission was reviewed before August 2005.

**COMMUNICATIONS:** If you have general questions regarding this policy, please contact Rita Lysik, Administrative Officer, HSR&D at 202-254-0212 or rita.lysik@va.gov. To request a waiver, please contact the relevant portfolio manager. For a list of portfolio managers and content areas, please visit

http://www.hsrd.research.va.gov/for researchers/funding/application/contacts.cfm.

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Acting Director, Health Services Research and Development Service

cc: HSR&D Research Centers, COEs, and Field Stations